



Biotech Daily

Wednesday June 3, 2015

Daily news on ASX-listed biotechnology companies

- * **ASX, BIOTECH DOWN: PRIMA UP 17%, ANTISENSE DOWN 8%**
- * **BIOTECH WINS 6 OF 18 FEDERAL COMMERCIALISATION GRANTS**
- * **AUSPHERIX RAISES \$12m FOR ANTI-BACTERIALS**
- * **SIMAVITA, MATRIXCARE TO DEVELOP US INCONTINENCE RECORDS**
- * **BERGEN SELLS 100m PRIMA SHARES TO 6%**
- * **JP MORGAN CHASE BORROWS, LENDS, RETURNS TO 9% OF PRIMA
- THEN CEASES SUBSTANTIAL**
- * **AUSTRALIAN ETHICAL BELOW 5% IN ALCHEMIA**
- * **NOVOGEN APPOINTS BRYCE CARMINE, IAN PHILLIPS DIRECTORS**

MARKET REPORT

The Australian stock market fell 0.93 percent on Wednesday June 3, 2015 with the S&P ASX 200 down 52.4 points to 5,583.6 points.

Seven of the Biotech Daily Top 40 stocks were up, 20 fell, 11 traded unchanged and two were untraded. All three Big Caps fell.

Prima was the best, up 1.4 cents or 17.3 percent to 9.5 cents with 68.6 million shares traded.

Biotron climbed 8.3 percent; Optiscan was up 7.8 percent; Avita and Genetic Technologies were up more than six percent; Viralytics rose 2.5 percent; with Mesoblast up 0.3 percent.

Antisense led the falls, down one cent or 8.3 percent to 11 cents with 297,000 shares traded.

Compumedics, IDT, Starpharma and Universal Biosensors lost more than five percent; Clinuvel and Tissue Therapies fell more than four percent; Nanosonics and Sirtex were down more than three percent; Anteo, Bionomics, Ellex, Osprey, Pharmaxis and Prana shed more than two percent; Acrux, Admedus, Cochlear, CSL and Psivida were down more than one percent; with Benitec, Medical Developments and Resmed down by less than one percent.

FEDERAL GOVERNMENT

The Federal Industry and Science Minister Ian Macfarlane says 18 companies will receive \$10.6 million in grants under the Accelerating Commercialisation program.

Mr Macfarlane said the first round of \$10.6 million in funding under the Accelerating Commercialisation element of the Australian Government's \$484.2 million Entrepreneurs' Infrastructure Program would be backed by business investment in new opportunities and new jobs.

"These Accelerating Commercialisation investments will help 18 innovative Australian businesses get their ideas to market [and] importantly, the \$10.6 million of Government funding is more than matched by investment from businesses themselves, leading to a total value for the projects of \$23.4 million," Mr Macfarlane said.

"Australia needs to turn great ideas into commercial products to keep up with global markets, and this investment will assist with that process across a range of sectors," Mr Macfarlane said.

The ITL-related Myhealthtest Pty Ltd was awarded \$1,000,000 for its dry blood spot pathology testing (BD: May 7, 2015); the Dubbo, New South Wales-based Maverick Biomaterials Pty Ltd was awarded \$987,500 for its advanced manufactured materials for percutaneous valvular devices in pilot plant; Adelaide's Biosensis Pty Ltd will receive a grant of \$375,783 for its blood and saliva biomarker assays of disease; Melbourne's Apollo Medical Imaging Technology Pty Ltd was awarded \$365,943 for its Automistar automated image processing and communication system for guiding stroke therapy; the Langwarrin Victoria-based Dr Greg Szto Pty Ltd will receive \$392,800 for the validation of an oral disintegrating tablet platform technology; and Vald Performance Pty Ltd was awarded \$493,687 for its Nordbord hamstring testing system.

AUSPHERIX

Auspherix says it has raised GBP6 million (\$A11.8 million) and will establish operations on the Stevenage Bioscience Catalyst in Hertfordshire about 40km north of London.

The Sydney-founded Auspherix said that the London-based Imperial Innovations plc led the round with founding investor the Medical Research Commercialisation Fund (MRCF). Last year, the Brandon Capital managed MRCF provided Auspherix \$1 million for its anti-bacterial compounds development studies (BD: Oct 24, 2014).

Auspherix said at that time that it had identified "a number of anti-bacterial compounds with broad spectrum activity against a panel of clinical isolates of antibiotic resistant Gram-positive and Gram-negative bacteria" and the funds would be used to refine the lead compound series, and screen them in animal models.

Today, Auspherix said the investment would fund its drug discovery program, expand the management team and recruit a microbiology team.

Auspherix said it hoped to progress its anti-bacterials through lead optimization to final candidate selection within the next two years.

The company said it was co-founded by Prof Ian Charles and Dr Dagmar Alber while both were at the University of Technology Sydney's Ithree Institute and Dr Roberto Solari had been appointed as an independent non-executive chairman.

Auspherix said that Dr Solari was previously Glaxosmithkline's respiratory therapy vice-president, was currently a senior research fellow at Imperial College London's National Heart and Lung Institute and was an advisor to Imperial Innovations and Brandon Capital Partners.

Auspherix said it expected to appoint a chief executive officer within the coming months. Auspherix is a private company.

SIMAVITA

Simavita says it has signed a corporate integration agreement with the Bloomington, Minnesota-based Matrixcare.

Simavita said that the companies would collaborate to effect interoperability between its Smart Incontinence Management (SIM) system and MatrixCcre's electronic health record platform and work together to deploy the integrated technology and their respective technologies to the US aged care sector.

The company said that Matrixcare was a US electronic health records provider to the long term, post-acute healthcare market and was deployed at more than 7,000 facilities.

Simavita said that when completed, the integrated product would enable the long-term care organizations using the Matrixcare records systems to integrate the data generated by its SIM technology into their overall healthcare systems.

The company said that the use of electronic health records by aged care providers was mandated in the US and the ability of SIM to integrate with such systems was "a major opportunity to gain widespread acceptance of its technology in that market".

Simavita chief executive officer Philippa Lewis said that Matrixcare's electronic health record system was widely used across the US and the integrated technology "will open many doors for Simavita to deploy its unique SIM technology".

Simavita was unchanged at 60 cents.

PRIMA BIOMED

New York's Bergen Global Opportunity Fund, Bergen Asset Management and Eugene Tablis have sold 102,379,152 shares reducing their holding to 98,733,621 shares (5.73%). Last week the Bergen group became substantial shareholders in Prima with 201,112,773 shares (12.04%) acquiring the shares through the issue of a monthly tranche of 15,215,510 shares for \$US360,000, the exercise of 19,800,000 options for \$1,084,050 and the conversion of a \$US2,500,000 note for 168,097,263 shares or 1.93 cents per converted share. (BD: May 28, 2015).

Last night Bergen said that on May 29, June 1 and 2, 2015, it sold the 102,379,152 shares for \$14,147,137 or an average price of 13.8 cents a share.

Prima climbed 1.4 cents or 17.3 percent to 9.5 cents with 68.6 million shares traded.

PRIMA BIOMED

New York's JP Morgan Chase says it has borrowed, returned and lent at no cost to become substantial in Prima with 153,712,260 shares (8.92%).

JP Morgan Chase said the transactions, under a prime brokerage agreement, were to clients and custodians of Canaccord Genuity Inc House and Citicorp Nominees Pty Ltd.

Just before the market closed, JP Morgan said it had disposed of 143,900,310 shares for no cost and had ceased its substantial holding.

ALCHEMIA, AUSTRALIAN ETHICAL TRUSTS

Australian Ethical says it has reduced its holding in Alchemia to below the substantial shareholder threshold of five percent.

Australian Ethical said it had sold 18,339,188 shares for \$768,355 or 4.2 cents a share.

In May, Australian Ethical and the Sydney-based Sandon Capital became substantial in Alchemia, apparently acquiring most of Hunter Hall's shares (BD: May 20, 2015).

Alchemia was unchanged at 4.1 cents with 3.1 million shares traded.

NOVOGEN

Novogen says it has appointed Bryce Carmine and Ian Phillips as non-executive directors taking the board to six members, with five non-executive directors.

Novogen executive chairman Dr Graham Kelly said the board needed to be expanded to deal with a growing committee workload and had a critical need for specific skill sets.

“Bryce Carmine comes with 36 years of experience with one of the world’s largest pharmaceutical companies, for much of that time at senior executive level, including being responsible for Eli Lilly’s global late-stage drug development pipeline,” Dr Kelly said.

Dr Kelly said that Mr Carmine was based in Chicago and would chair the scientific committee.

Dr Kelly said that the New York-based Mr Phillips had “a background in wholesale banking at a senior executive level”.

Novogen said that Mr Carmine retired from Eli Lilly & Co as executive vice president and president of the bio-medicines business unit and was formerly the head of sales and marketing and was currently the executive chairman of the Sydney-based Haemalogix.

The company said Mr Carmine held a Bachelor of Science degree from the Palmerston North, New Zealand-based Massey University prior to joining Eli Lilly in New Zealand.

Novogen said that Mr Phillips had worked in New York, London, Sydney, Singapore and Wellington, New Zealand in banking, financial markets and corporate finance for more than 30 years.

The company said that Mr Phillips was the chairman of Nutraceutical and Natural Products AG and studied at Otago University, the University of Colorado and the London School of Economics.

Novogen was unchanged at 27 cents with two million shares traded.